

STONEAPPLE PRODUCTIONS LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2004

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DIRECTORS:

S Horne
F Gray
P Watt

SECRETARY:

S Horne

REGISTERED OFFICE:

115c Milton Road
Cambridge
CB4 1XE

REGISTRATION NUMBER:

3542153

ACCOUNTANTS:

Prentis & Co
Chartered Accountants
115c Milton Road
Cambridge
CB4 1XE



FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2004

REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 31st March 2004.

PRINCIPAL ACTIVITY

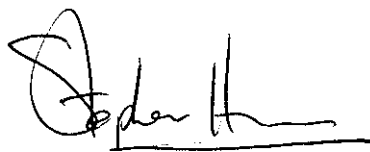
The principal activity of the company continues to be that of events and awards organising.

DIRECTORS

The directors in office in the year and their beneficial interests in the company's issued ordinary share capital were as follows:

	2004	2003
S Horne	33	33
F Gray	33	33
P Watt	33	33

This report, which has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, was approved by the Board on 8 July 2004 and signed on its behalf.

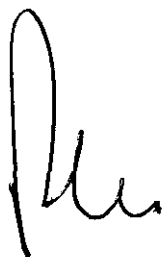


S HORNE
SECRETARY

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2004

ACCOUNTANTS REPORT TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS OF STONEAPPLE PRODUCTIONS LIMITED

As described on the balance sheet you are responsible for the preparation of accounts for the year ended 31st March 2004 set out on pages 3 to 7, and you consider that the company is exempt from an audit under the provisions of S.249A(1) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from accounting records and information and explanations supplied to us.



PRENTIS & CO

CHARTERED ACCOUNTANTS

115c Milton Road
Cambridge
CB4 1XE

6 August 2004

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2004

PROFIT AND LOSS ACCOUNT

	Notes	2004 £	2003 £
Turnover	1	806563	716473
Cost of sales		478168	456470
Gross profit		<u>328395</u>	<u>260003</u>
Administration expenses		148776	189330
Profit on ordinary activities before interest	2	<u>179619</u>	<u>70673</u>
Interest receivable		1834	3286
Profit on ordinary activities before tax		<u>181453</u>	<u>73959</u>
Tax on profit on ordinary activities	3	34236	13679
Profit on ordinary activities after tax		<u>147217</u>	<u>60280</u>
Dividends	4	74524	107077
Retained profit/(absorbed loss) for the year		<u>72693</u>	<u>(46797)</u>
Retained profit brought forward		64981	111778
Retained profit carried forward		<u>137674</u>	<u>64981</u>

None of the company's activities were acquired or discontinued during the year and there were no recognised gains and losses for 2004 or 2003 other than those indicated in the Profit and Loss Account.

The notes on pages 5 to 7 form part of these financial statements.

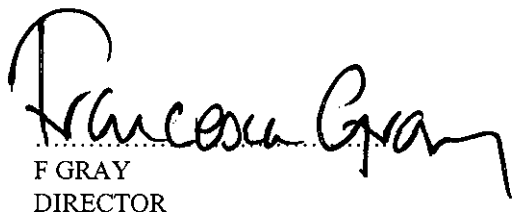
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2004

BALANCE SHEET

	Notes	2004 £	2003 £
FIXED ASSETS			
Tangible assets	5	14117	15231
CURRENT ASSETS			
Work in progress		-	1139
Debtors	6	267277	60332
Cash at bank and in hand		72329	82539
		<u>339606</u>	<u>144010</u>
CREDITORS: amounts falling due within one year	7	<u>215950</u>	<u>94161</u>
Net Current Liabilities		123656	49849
NET ASSETS		<u>137773</u>	<u>65080</u>
CAPITAL AND RESERVES			
Called up share capital	8	99	99
Profit and loss account		137674	64981
SHAREHOLDERS FUNDS - all equity	9	<u>137773</u>	<u>65080</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of Section 249a(1) of the Companies Act 1985. Members have not required the company under Section 249b(2) of the Companies Act 1985, to obtain an audit for the year ended 31st March 2004. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31st March 2004 and of its profit for the year then ended in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to the financial statements as far as applicable to the company.

The financial statements which have been prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 applicable to small companies, were approved by the Board 8 July 2004 and signed on its behalf


 F GRAY
 DIRECTOR

The notes on pages 5 to 7 form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2004

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and include the results of the company's operations, which are described in the Directors Report and all of which are continuing.

(b) TURNOVER

Turnover comprises the invoiced values of services supplied by the company, excluding VAT

(c) TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write-off the costs less estimated residual value of each asset evenly over their expected useful lives as follows:

Plant and machinery	- 3 years straight line basis
Furniture and fixtures	- 3 years straight line basis
Office equipment	- 3 years straight line basis

(d) WORK IN PROGRESS

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure.

(e) DEFERRED TAXATION

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

(f) OPERATING LEASES

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor, are charged against profit as incurred.

(g) CASH FLOW STATEMENTS

The company, being a company of small size within the meaning of the Companies Act 1985, has used the exemption provided by Financial Reporting Standard No. 1 under which they are not required to include a cash flow statement as part of their financial statements.

2.

OPERATING PROFIT

This is stated after charging:

Depreciation - owned assets
Directors remuneration

2004

£

13726

60000

2003

£

19181

60000

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2004

NOTES TO THE FINANCIAL STATEMENTS

3.	TAXATION	2004 £	2003 £
	UK Corporation Tax - current year	34236	13679

The tax assessed for the period is lower than the standard rate of UK taxation applicable to the company of 19% (2003 - 19%). The differences are explained below:

Profit on ordinary activities	181453	73959
Profit on ordinary activities multiplied by standard rate of 19% (2003 - 19%)	34476	14052
Expenses not deductible for tax purposes	497	427
Depreciation for period in excess of capital allowances	(737)	(500)
Total current tax charge	34236	13679

The timing of future crystallisation of deferred tax assets is uncertain so the directors have not recognised them.

4.	DIVIDENDS	2004 £	2003 £
	Equity dividends paid on ordinary shares at £752.77 per share	74524	107077

5.	TANGIBLE FIXED ASSETS	Plant & Machinery	Fixtures & Fittings	Office Equipment	Total
	COST	£	£	£	£
	Balance at 1st April 2003	52203	10596	58147	120946
	Additions	8259	-	4353	12612
	Balance at 31st March 2004	60462	10596	62500	133558
	DEPRECIATION				
	Balance at 1st April 2003	39222	9154	57339	105715
	Charge for year	10086	1384	2256	13726
	Balance at 31st March 2004	49308	10538	59595	119441
	NET BOOK VALUE at 31st March 2004	11154	58	2905	14117
	NET BOOK VALUE at 31st March 2003	12981	1442	808	15231

6.	DEBTORS	2004 Due within one year £	2003 Due within one year £
	Trade debtors	239592	60332
	Prepayments	9384	-
	Accrued income	18301	-
		267277	60332

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2004

NOTES TO THE FINANCIAL STATEMENTS

7.	CREDITORS			2004 Due within one year £	2003 Due within one year £
	Trade creditors			101586	61875
	Income billed in advance			35000	-
	Corporation Tax			34236	13679
	Other taxes and social security costs			40280	10459
	Accruals			1800	2000
	Directors loans			2956	6056
	Other creditors			92	92
				<u>215950</u>	<u>94161</u>
8.	SHARE CAPITAL				
		Authorised		Allotted Issued & Fully Paid	
		2004	2003	2004	2003
		£	£	£	£
	Ordinary shares of £1 each	100	100	99	99
9.	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS			2004 £	2003 £
	Profit for the financial period after tax			147217	60280
	Less dividends			74524	107077
				<u>72693</u>	<u>(46797)</u>
	Opening shareholders funds			65080	111877
	Closing shareholders funds			<u>137773</u>	<u>65080</u>
10.	RELATED PARTIES				
	The controlling parties are the Directors, S Horne, F Gray and P Watt by virtue of their ownership of 33% each of the issued ordinary share capital.				